



POLICY COMMITTEE

Friday, April 22, 2022
2:30 P.M.

Courthouse & Government Center
Board of Commissioner's Room

AGENDA

1. Call to Order
2. Public Comment
3. New Business
 - a. Manistee County Grants Policy – Appendix A
4. Old Business
 - a. Continued discussion regarding PTO Policy – Appendix B
5. Other items from Committee members.
6. Adjournment

Manistee County Grants Policy

Manistee County does not have a centralized grants department; therefore, it is the responsibility of each department obtaining a grant to care for and be familiar with all grant documents and requirements. If a grant is Federal, the department should immediately notify the Finance Officer for inclusion in the County's Single Audit.

Grant Development, Application, and Approval

- Letter of Intent – A copy of the letter of intent must be submitted to the County Administrator's office. The Elected Official or Department Head has the authority to sign the letter of intent, without having to get prior authorization from the county board.
- Legislative Approval – The point at which legislative approval is required is determined by the requirements of the grant program. If the grant must be submitted by "an individual authorized by the legislative body", then Board approval is required prior to submitting the application. Otherwise, the County Administrator (or his/her designee) is authorized to submit grant applications. If an award is given, a copy of the agreement will also be furnished to the Administrator's office.
- Matching Funds – Grants that require cash local matches must be coordinated through the Administrator's office. At a minimum, funds must be identified within the existing budget to provide the match, or a budget adjustment will be required. Depending on the nature of the grant, there may also be some policy implications that will need discussion (for example, will the grant establish a level of service that cannot be sustained once the grant funds are depleted?).
- Grant Budgets – Most grants require the submission of an expenditure budget. The approved grant budget should be provided to the County Administrator's Office for input into the financial account system.

Grant Program Implementation

- Notification and Acceptance of an Award – Official notification of a grant award is usually sent by a funding agency to the Elected Official or Department Head designated in the original grant proposal. However, the authorization to spend grant funds is derived from the Board through the approval of a grant budget, unless the resolution authorizing the grant application authorizes the County Administrator to amend the budget upon notification of the grant award.
- The award is accepted - The Elected Official or Department Head must notify the Finance Officer and supply for all Federal awards, the Catalog of Federal Domestic Assistance (CDFA) title and number, grant identification number and year, name of the Federal agency, and the name of the pass-through entity, if any. For all State and Local awards, the title and name of the grant award, the award number, year, and the pass-through entity, if any must be submitted.
- Establishment of Accounts – The department that obtained the grant will provide the Finance Officer with information needed to establish revenue and expense accounts for the project. This information will include a copy of a summary of the project and a copy of the full project budget.

- Purchasing Guidelines – All other County purchasing guidelines apply to the expenditure of grant funds. The use of grant funds does not exempt any purchase from normal purchasing requirements. All typical paperwork and bidding requirements apply. All normal staff approvals apply.

Grant Cash and Financial Management

The County's financial system and records will be sufficient for preparing required reports and for tracing expenditures to a level that establishes funds have been used according to Federal statutes, regulations, and the terms and conditions of the Federal award. This is in addition to maintaining a system of funds and accounts in accordance with state law.

The County's financial management system will:

- Identify all Federal awards received and expended, including specific information pertaining to the award: Federal program name; CFDA title and number and year; and name of Federal and any pass-through agency.
- Provide for accurate, current, and complete disclosure of the results of Federal award in accordance with reporting requirements.
- Include records and supporting documentation that identify the source and application of funds for Federally funded activities, including authorizations, obligations, unobligated balances, expenditures, assets, income, and interest.
- Enable the County to maintain effective internal controls to ensure accountability and proper safeguarding and use of all funds, property, and other assets (for example, adequate segregation of duties).
- Provide a comparison of expenditures with budget amounts for each Federal award.

Occasionally, the fiscal year for the granting agency will not coincide with the County's fiscal year. This may require adjustments to the internal budget accounts and interim financial reports as well as special handling during fiscal year-end close. It is the responsibility of the Elected Official or Department Head to bring such discrepancies to the attention of the Finance Officer at the time the grant accounts are established.

Allowable Costs for Federal Programs

Expenditures under federal programs are governed by the Federal cost principles contained in 2 CFR Part 200 Subpart E – Cost Principles. The County is committed to ensuring that costs claimed under Federal awards follow these cost principles as well as any special terms and conditions contained in the award.

When applying these cost principles, the County agrees to:

- Maintain responsibility for the efficient and effective administration of the Federal award through the application of sound management practice.
- Assume responsibility for administering Federal funds in a manner consistent with underlying agreements, program objectives and the terms and conditions of the Federal award.

- Applying accounting practices that are consistent with the cost principles, support the accumulation of costs as required by the principles, and provide for adequate documentation to support costs charged to the federal award.

The County will maintain a system of internal controls over Federal expenditures to provide reasonable assurance that Federal awards are expended only for allowable activities and that the cost of goods and services charged to Federal awards are allowable and in accordance with the above referenced cost principles. These controls will be met with the following general criteria:

- Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
- Be consistent with policies and procedures that apply uniformly to both federally financed and other activities of the County.
- Be given consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- Be determined in accordance with generally accepted account principles.
- Not be included as cost or used to meet cost sharing or matching requirements of any other federally financed program in either the current or prior period.
- Be adequately documented.

All County employees paid with Federal funds will document the time they expend in work performed in support of each Federal program, in accordance with the law. County employees will be reimbursed for travel costs incurred while performing services related to official business as a Federal grant recipient. The County will establish and maintain employee policies on hiring, benefits, and leave as approved by the Board.

Internal Controls and Accountability

The County has established several internal control procedures to ensure that:

- The grant awards are managed to comply with statutes, regulations, and the terms and conditions of the award.
- The County evaluates and monitors the grant awards to ensure compliance with statutes, regulations, and the terms and conditions of the award.
- The County shall take prompt action to correct identified instances of noncompliance including noncompliance identified in audit findings.
- The County must take reasonable measures to safeguard sensitive information and assets purchased with grant awards, consistent with privacy obligations and applicable Federal and State laws.
- Ensure adequate internal controls are in place in the handling of cash receipts from the time of receipt to deposit in the appropriate depository account.
- Established adequate internal controls and written procedures to ensure payments are made only for approved purposes.
- Maintain adequate accounting records for cash receipts and payments.

Annual Audits

If the County is required to have a single audit completed in accordance with 2 CFR Part 200 Subpart F – Audit Requirements, the County Finance Officer, will accumulate the information necessary to prepare a schedule of expenditure of Federal awards (SEFA or the “schedule”) in accordance with Federal and State requirements.

- The schedule will include all Federal financial assistance. Amounts will be reported whether received directly from the Federal government or through a pass-through agency (given that the County is determined to be a subrecipient and not a vendor).
- Non-cash assistance will be identified as such in the schedule.
- The schedule will be prepared on the same basis of accounting as the related financial statements.
- Federal awards will be grouped based on Federal awarding agency. Each Federal award with current expenditures will be listed along with the CFDA number, pass-through grantor name (if applicable) and award/pass through grantor number (if applicable).
- If the CFDA number of a Federal award cannot be reasonably determined, it shall be reported in the schedule using the two-digit prefix for the related Federal agency, followed by “UNKNOWN”.
- To the extent that amounts are passed through to subrecipients, such amounts will be identified on the face of the Schedule by award number.
- To the extent that a separate line item is included in the financial statement for Federal revenue, this amount shall agree to expenditures in the schedule. Any reconciling items will be disclosed in the footnotes to the schedule.

Uniform Guidance Compliance Supplement – General Information:

Board Policies. The following financial policies have been separately reviewed and approved by the Board of Commissioners. These policies may be incorporated into this document by reference. All the policies below are applicable to Federal grants where appropriate:

- Fund Balance Policy
- Credit Card Policy
- Electric Funds Transfer Policy
- Investment Policy
- Travel Policy
- Procurement Policy
- Cash Management

PTO Policy

Purpose

The purpose of Paid Time Off (PTO) is to provide employees with flexible paid time off from work that can be used for such needs as vacation, personal or family illness, doctor appointments, school, volunteerism, and other activities of the employee's choice.

The PTO days you accrue, effective January 1, 2023 replace all existing vacation, sick time, and personal days that you have been allotted under prior policies. The vacation time you accrued will carry over, in excess of the PTO policy, per the guidelines at the time.

Guidelines

Each full-time and part-time employee will accrue PTO bi-weekly in hourly increments based on their length of service as defined below. PTO is added to the employee's PTO bank when the bi-weekly paycheck is issued. PTO taken will be subtracted from the employee's accrued time bank in one-hour increments.

Temporary employees, Elected Officials, and interns are not eligible to accrue PTO.

New Employees are eligible to use accrued PTO on the first of the month following 90 days of employment.

Eligibility to accrue PTO is contingent on the employee either working or utilizing accrued PTO for the entire bi-weekly pay period. PTO is not earned in pay periods during which unpaid leave or short-term disability leave are taken.

An employee injured at the County under circumstances such that Workers' Compensation benefits are paid by the County, shall, with respect to vacation years occurring after the employee's return to work, have the period during which Workers' Compensation benefits were paid counted as continuous employment for the purpose of determining the amount of vacation to which the employee is currently entitled.

Employees may use time from their PTO bank in half hour (.5) increments. The time that is not covered by the PTO policy, and for which separate guidelines and policies exist, include company paid holidays, bereavement time off, required jury duty, and military service leave.

To take PTO requires two days of notice to the department head unless the PTO is used for legitimate, unexpected illness or emergencies. Use the Paid Time Off form to request PTO. In all instances, PTO must be approved by the employee's department head in advance.

Paid Time Off (PTO) Exceptions

- Employees who miss more than three consecutive unscheduled days may be required to present a doctor's release to Human Resources that permits you to return to work.
- PTO taken in excess of the PTO accrued can result in progressive disciplinary action up to and including employment termination. This time off will be unpaid. The only possible exception to this policy must be granted by the Board of Commissioners.
- PTO accrued prior to the start of a requested and approved unpaid leave of absence must be used to cover hours missed before the start of the unpaid leave.
- Under Manistee County's Family Medical Leave Act (FMLA) policy, all accrued PTO time is taken before the start of the unpaid FMLA time.
- Unscheduled absences that result in consecutive days off, excessive call ins, pattern absences may all be considered as absence incidents in relation to potential disciplinary action.

- Progressive disciplinary action relative to incidents of absenteeism is administered on a rolling 12-month calendar as follows:
 - One – three incidents: No disciplinary action. Supervisory coaching.
 - Fourth incident: Verbal Warning with a documented coaching session
 - Fifth incident: Written warning in the employee's file
 - Sixth incident: Employment termination

An employee who receives a second written warning in a rolling 24-month time period will have his or her employment terminated.

- An employee who has used all of his or her FMLA and Short-Term Disability benefits, and is still unable to return to work, will have his or her employment terminated.
- Any employee who misses two consecutive days of work without notice to their supervisor may be considered to have voluntarily quit their job.

Specific Eligibility for Paid Time Off (PTO)

PTO is earned on the following schedule based on a 37.5 or 40 hour work week. PTO is prorated based on the number of hours worked on an employee's regular schedule.

Years of Service

0-4: 120 or 128 hours per year, earned at a rate of .06153 for each full work week in a calendar year.

5-9: 157.5 or 168 hours per year, earned at a rate of .08077 for each full work week in a calendar year.

10-15: 195 or 208 hours per year, earned at a rate of .1000 for each full work week in a calendar year.

16-20: earn one additional day per year until you reach 20 years of service.

16: 202.5 or 216 hours per year, earned at .10384 for each full work week in a calendar year.

17: 210 or 224 hours per year, earned at .10770 for each full work week in a calendar year.

18: 217.5 or 232 hours per year, earned at .11154 for each full work week in a calendar year.

19: 225 or 240 hours per year, earned at .11540 for each full work week in a calendar year.

20: 232.5 or 248 hours per year, earned at .11923 for each full work week in a calendar year.

Maximum Time Accumulated

Although you may carry over unused PTO time from year to year, there is a cap on the amount of PTO time you can accumulate.

Each employee may carry over 37.5 or 40 hours of accrued PTO over into a new calendar year. At the end of each calendar, employees may cash out up to 3 days of PTO time. Employees are responsible for monitoring and taking their PTO over the course of a year so that they do not lose time accrued when the current calendar year ends. (PTO is subject to department head approval and not every employee can take accumulated time in December: Manistee County must continue to serve customers.)

If extenuating business circumstances prevented the employee from taking scheduled PTO, this PTO may be carried over and taken in the first half of the next calendar year with the approval of the department head.

Employees are paid for the PTO they have accrued at employment end. If an employee has used PTO time not yet accrued, and employment terminates, the PTO taken is deducted from the final paycheck. Employees who give two weeks' notice of employment termination must work the two weeks without utilizing PTO. If an employee dies, the County will pay to the person the employee designates as the next of kin, accrued but unused PTO. This provision also applies to employees who are laid off.

Employees who are rehired will receive credit for the former time worked and accumulate current PTO for the combined time.

Donating Hours

Employees who wish to donate PTO leave to another employee, he/she will complete the PTO Donation Form and submit to Administration.

The minimal amount of leave donation allowable is – eight (8) hours; the maximum allowable leave donation is – forty (40) hours. The employee donating the leave must have a balance of at least eighty (80) hours remaining in his/her PTO Bank, after the donation. Accrued and unused paid leave donated by any one employee may not exceed 160 hours.

DRAFT

PTO Donation Form – Donor Application Form

For Payroll Period Ending _____.

I. DONOR INFORMATION

(Last) (First) (M.I.) (Social Security Number)

DEPARTMENT: _____

JOB TITLE: _____

SUPERVISOR'S SIGNATURE _____ DATE: _____

TYPE OF LEAVE DONATED:

PTO [] # HOURS DONATED _____

Note: The minimal amount of leave donation allowable is – eight (8) hours; the maximum allowable leave donation is – forty (40) hours. The employee donating the leave must have a balance of at least eighty (80) hours remaining in his/her PTO bank, after the donation. Accrued and unused paid leave donated by any one employee may not exceed 160 hours.

II. PERSON TO RECEIVE LEAVE

(Last) (First) (M.I.) (Social Security Number)

DEPARTMENT: _____

JOB TITLE: _____

SUPERVISOR'S SIGNATURE: _____ DATE: _____

- 1. Use of donated leave is limited to the average number of hours in the employee's weekly schedule.
- 2. Donated leave **may not** be used to supplement paid benefit program(s) (i.e. Disability Leave, Worker's Compensation)
- 3. Donated leave hours will be subject to taxes for both the employee donating and the employee receiving the donation.

III. CERTIFICATION

I hereby certify that this request is made voluntarily. By signing I hereby relinquish all rights to the leave shown above and the benefits accruing to or attached to the same. I certify that I will have a remaining balance of 80 hours or more of combined leave (sick, vacation, personal and compensatory) after making this donation. I also understand that my identity as a donor is to be kept confidential and I will also honor that confidentiality.

SIGNATURE: _____ DATE: _____

Donating Employee

IV. VALIDATION – TO BE COMPLETED BY ADMINISTRATION

Annual Leave Balance	Number of	New Annual
Before Donation	Hrs. Hours Donated	Hrs. Leave Balance
_____	_____	_____
		Hrs.

ADMINISTRATION REVIEW: _____

SIGNATURE

DATE

Years of Service	Accrual rate/hour	Accrual rate/pay period	How many Pay periods will it take to accrue 1 week?	How many Pay periods will it take to accrue 2 weeks?	How many employees fall into this category?
0-4 Years (16 Days)	0.06153	4.61475	8 Pay periods	16.25223468	49
5-9 years (21 Days)	0.08077	6.05775	6 Pay periods	12.38083447	27
10-15 Years (26 Days)	0.1	7.5	5 Pay periods	10	11
16 years (27 Days)	0.10384	7.788	4.815100154	9.630200308	5
17 Years (28 Days)	0.1077	8.08	4.641089109	9.282178218	4
18 Years (29 Days)	0.11154	8.37	4.480286738	8.960573477	1
19 Years (30 Days)	0.1154	8.66	4.330254042	8.660508083	2
20 Years (31 Days)	0.11923	8.94	4.194630872	8.389261745	20

	0-4 Years	5-9 Years	10-15 Years	16 Years	17 Years	18 Years	19 Years	20 Years
1st Pay period	4.61475	6.05775	7.5	7.788	8.08	8.37	8.66	8.94
2nd Pay period	9.2	12.1	15.0	15.6	16.2	16.7	17.3	17.9
3rd Pay period	13.8	18.2	22.5	23.4	24.2	25.1	26.0	26.8
4th Pay period	18.5	24.2	30.0	31.2	32.3	33.5	34.6	35.8
5th Pay period	23.1	30.3	37.5	38.9	40.4	41.9	43.3	44.7
6th Pay period	27.7	36.3	45.0	46.7	48.5	50.2	52.0	53.6
7th Pay period	32.3	42.4	52.5	54.5	56.6	58.6	60.6	62.6
8th Pay period	36.9	48.5	60.0	62.3	64.6	67.0	69.3	71.5
9th Pay period	41.5	54.5	67.5	70.1	72.7	75.3	77.9	80.5
10th Pay period	46.1	60.6	75.0	77.9	80.8	83.7	86.6	89.4
11th Pay period	50.8	66.6	82.5	85.7	88.9	92.1	95.3	98.3
12th Pay period	55.4	72.7	90.0	93.5	97.0	100.4	103.9	107.3
13th Pay period	60.0	78.8	97.5	101.2	105.0	108.8	112.6	116.2
14th Pay period	64.6	84.8	105.0	109.0	113.1	117.2	121.2	125.2
15th Pay period	69.2	90.9	112.5	116.8	121.2	125.6	129.9	134.1
16th Pay period	73.8	96.9	120.0	124.6	129.3	133.9	138.6	143.0
17th Pay period	78.5	103.0	127.5	132.4	137.4	142.3	147.2	152.0
18th Pay period	83.1	109.0	135.0	140.2	145.4	150.7	155.9	160.9
19th Pay period	87.7	115.1	142.5	148.0	153.5	159.0	164.5	169.9
20th Pay period	92.3	121.2	150.0	155.8	161.6	167.4	173.2	178.8
21st Pay period	96.9	127.2	157.5	163.5	169.7	175.8	181.9	187.7
22nd Pay period	101.5	133.3	165.0	171.3	177.8	184.1	190.5	196.7
23rd Pay period	106.1	139.3	172.5	179.1	185.8	192.5	199.2	205.6
24th Pay period	110.8	145.4	180.0	186.9	193.9	200.9	207.8	214.6
25th Pay period	115.4	151.4	187.5	194.7	202.0	209.3	216.5	223.5
26th Pay period	120.0	157.5	195.0	202.5	210.0	217.5	225.0	232.5